

Massachusetts Health Care Reform Act Expands GIC Coverage for Unmarried Dependents Ages 19-26

Effective January 1, 2007

The Commonwealth's Health Care Reform Act expands GIC coverage for unmarried dependents ages 19-26 effective January 1, 2007. Previously, only full-time students at accredited institutions and handicapped dependents were eligible for GIC coverage. Now, unmarried dependents are eligible for coverage up to age 26 or two years after losing dependent status according to Internal Revenue Code rules, whichever occurs first. A dependent is defined as a dependent according to Internal Revenue Service codes.

To add an unmarried dependent ages 19-26 to your GIC coverage, complete the *GIC's Dependent Age 19 to 26 Application for Coverage* form and return it to the GIC. This form is available through your agency's GIC Coordinator, on our website, or by calling the GIC. **If your dependent is already enrolled as a full-time student or handicapped dependent, you do not need to complete this form.**

Q) When does GIC health coverage end for a dependent child who marries?

A) According to state law, coverage for a dependent ends on the day before he/she marries. You must report the marriage to the GIC either in writing to the GIC, providing the date of marriage, or by completing and returning to the GIC the "Remove Dependent from Coverage" section of the *Dependent Age 19 to 26 Application for Coverage*.

Q) My child is turning 19. How can he/she continue health insurance coverage?

A) Coverage for an unmarried dependent changes at the end of the month in which the dependent turns age 19. You must complete in full for coverage and return a *Dependent Age 19 to 26 Application for Coverage* prior to the dependent's 19th birthday to continue your dependent's coverage tax-free if you are entitled to it. If you do not send in the completed form by this date, the dependent will be defaulted to Non-IRS dependent status up to the age of 21, and you will be subject to state and federal taxes on the value of your health plan's full cost individual premium. This is known as imputed income to the insured.

Q) My unmarried child age 19 to 26 is not attending school full time. How can he/she continue coverage under my GIC plan?

A) If your unmarried dependent age 19 to 26 is not a full-time student or handicapped dependent, he or she may be eligible for continued coverage under the Massachusetts Health Care Reform Act. IRS dependents are eligible for GIC coverage up to age 26 or two years after losing dependent status under IRS rules, whichever occurs first. If your dependent is a Non-IRS dependent, and he/she does not enroll in an accredited school full-time, or become an IRS dependent, his/her coverage will automatically terminate at age 21. If your dependent is a Non-IRS Dependent, the insured is subject to state and federal income taxes on the value of your health plan's full cost individual premium.

Q) My unmarried dependent age 19 to 26 is continuing coverage under my GIC health plan as a Non-IRS dependent. What will my imputed income be for his/her coverage?

A) Imputed income for a Non-IRS dependent is based on the full cost individual premium for the health plan in which you are enrolled. The amount of tax you will pay on the imputed income will depend on your total taxable income, including the imputed income. See the GIC website for the full-cost rates.

Q) How do I determine whether or not my unmarried child age 19 to 26, who is not a full-time student or handicapped dependent, is an IRS dependent or a Non-IRS dependent?

A) Your child age 19 to 26 may qualify as an IRS dependent, and be eligible for GIC IRS dependent coverage, if you provide more than half of his/her support and your child has a gross annual income of less than \$3,200. If your dependent is not an IRS dependent, he/she may be eligible to continue GIC coverage as a Non-IRS dependent. He/she is eligible for coverage for two years after the loss of IRS dependent status up to age 26. For IRS dependent status rules, refer to federal income tax filing instructions, IRS Publication 501, or contact a tax professional.

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Q) How long do I have to complete and return the new form for my unmarried dependent age 19 to 26?

A) Complete and return the form to us as quickly as possible. If we determine your dependent to be eligible for the new coverage, coverage will be effective the first day of the second month following the receipt of your application.

Q) I have individual health coverage and I have a dependent child I want to cover. What do I do?

A) In addition to completing the *Dependent Age 19 to 26 Application for Coverage*, you must change from individual to family coverage.

Q) My unmarried child is disabled and is turning 19. How can he or she continue GIC health coverage?

A) If your child is mentally or physically incapable of earning his/her own living upon turning age 19, you can apply for handicapped dependent coverage by completing and returning the *GIC Handicapped Dependent* application. The child's disability must have occurred prior to age 19. Family coverage is required. Coverage may continue as long as you provide satisfactory proof that the handicapped dependent remains unable to support him or herself due to disability and the insured parent remains on GIC health coverage.

Q) My unmarried child became permanently or totally disabled after he/she turned age 19. Is he/she eligible for GIC coverage?

A) You may apply for handicapped dependent status by completing and returning the *GIC Handicapped Dependent* application. Family coverage is required. Coverage may continue up to age 26 as long as you provide satisfactory proof that your dependent is permanently and totally disabled and you remain on GIC health coverage.

Q) My unmarried student-dependent (age 19 to 26) is graduating from college. When does health coverage end?

A) His/ her coverage as a full time student ends at the end of the month in which he/ she ceases to be a full-time student. At that point, your dependent is eligible for IRS Dependent or Non-IRS Dependent coverage up to age 26 or two years after losing dependent status according to IRS rules, whichever occurs first. Complete and return the *Dependent Age 19 and Over Application for Coverage*.

Q) My unmarried student-dependent (age 19 to 26) will be finishing classes in December or January, but will not graduate until May. When will his/her health coverage end?

A) Your student-dependent's (age 19 to 26) health coverage as a full-time student ends at the end of the month in which your child ceases to be a full time student (e.g., December or January.) At that point, your child may continue health insurance coverage as an IRS Dependent or as a Non-IRS Dependent up to age 26 or two years after losing dependent status according to IRS rules, whichever occurs first. Complete and return the *Dependent Age 19 to 26 Application for Coverage*.

Q) Is my unmarried student-dependent (age 19 to 26) covered during the summer months?

A) Your student-dependent is covered during the summer only if he/she was enrolled as a full-time student for the entire spring semester and thereafter is enrolled as a full-time student for the fall semester.

Q) My student-dependent is changing from a full-time student to a part-time student. How can I continue coverage for my part-time student dependent?

A) Student coverage for a dependent ends on the last day of the semester in which he/she last attended school full-time; thereafter the insured may apply to continue coverage for the dependent up to age 26 or two years after losing dependent status according to IRS rules, whichever occurs first. Complete and return the *Dependent Age 19 to 26 Application for Coverage*.

Q) When does a student's coverage end if he/she is on a school-approved medical leave?

A) Student coverage for a dependent on a school-approved medical leave of absence ends on the last day of the semester in which he/she last attended class; thereafter the insured may apply to continue coverage for the dependent up to age 26 or two years after losing dependent status according to IRS rules, whichever occurs first. Complete and return the *Dependent Age 19 to 26 Application for Coverage*.

Q) When does a student's coverage end when he/she withdraws from classes?

A) Student coverage for a dependent who withdraws from

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classes ends on the last day of the month in which he or she last attended classes for reasons other than school-approved medical leave of absence. At that point, the insured may apply to continue coverage for the dependent up to age 26 or two years after losing dependent status according to IRS rules, whichever occurs first. Complete and return the *Dependent Age 19 to 26 Application for Coverage*.

Q) My unmarried student-dependent is turning 24; what happens to his/her health coverage?

A) Your dependent may continue to receive GIC health coverage until he/she ceases to attend school full time as a Non-IRS Dependent. You, the insured, will be subject to imputed income taxes on the value of the coverage for your dependent. Complete and return the *Dependent Age 19 to 26 Application for Coverage*.

Q) My unmarried dependent age 19 to 26 graduated from college in June 2005 and is working full time. Is he/she eligible for GIC coverage?

A) Your unmarried dependent age 19 to 26 would be eligible for coverage for the remainder of the two years after he/she lost IRS dependent status.

Q) My child is age 19 to 26 and is working. Is he/she eligible for GIC coverage?

A) Your child is eligible for GIC coverage up to two years after the loss of IRS dependency, or age 26, whichever comes first.

Q) My unmarried student-dependent is turning 26; what happens to his/ her health coverage?

A) Your dependent can continue health coverage until he/she ceases to attend school full time. You must re-certify student coverage yearly, and pay 100% of the premium.

Q) Can I drop my child from GIC coverage?

A) You may drop your child from GIC coverage at any time with satisfactory proof that your dependent has coverage elsewhere (e.g., letter from your dependent's employer). Send to the GIC this documentation along with a letter requesting that your dependent be taken off your GIC coverage. Include your name, GIC Identification number (usually Social Security number), your dependent's name and date of birth. Instead of writing a letter, you can complete and return the "Remove Dependent from Coverage" section of the *Dependent Age 19 to 26 Application for Coverage*, along with the required proof of other coverage documentation.

Q) I do not have health coverage through the GIC, but have the GIC Dental/Vision coverage. Is my unmarried dependent age 19-26 eligible for dental/vision coverage?

A) If your dependent is not a full-time student or a handicapped dependent, he or she may be eligible for continued GIC dental/vision coverage. IRS dependents are eligible for coverage up to age 26 or two years after losing dependent status according to Internal Revenue Code rules, whichever occurs first. To apply, complete and return to the GIC the *Dependent Age 19 to 26 Application for Coverage*.

As additional questions arise, the GIC will post answers to these questions on our website: www.mass.gov/gic.



Fallon Community Health Plan recently expanded its provider network in the Springfield area.



Fred Winer, Marisa Fusco and Karen Bergeron of Tufts Health Plan (left to right) discussed plan options with Springfield enrollees.



Paul Murphy and Judy Settana of the GIC enroll City of Springfield enrollees in GIC benefits using a computerized eligibility system.



Barbara Posnick of UniCare (center) talks with retirees waiting for the Springfield health fair to begin.